

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2022 - SB 1953

February 3, 2016

SUMMARY OF BILL: Authorizes the Department of Transportation (TDOT) to construct and operate a mass transit system on the shoulder of any state and interstate highway.

Authorizes TDOT to enter into a contract with transportation providers to operate the mass transit system, and to consult with the federal highway commission, metropolitan and rural planning organizations, local and regional transit authorities, and affected counties and cities along the right of ways of the affected highways.

Authorizes TDOT to identify sources of funding for operation and construction of the system, and to establish necessary procedures for the safety of passengers and vehicles on or adjacent to the system.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent the Department of Transportation undertakes a mass transit project pursuant to the provisions of this bill; one-time costs for development and construction are reasonably estimated to exceed \$1,000,000; and recurring costs for operation and maintenance are reasonably estimated to exceed \$100,000. Depending on the specifics of any given project undertaken, the costs could be funded with various combinations of federal, state, and local funding. The timing for any such expenditure is unknown. In addition, and to the extent user fees could be charged, some portion or all expenditures incurred could be recaptured.

Assumptions:

- TDOT is currently not authorized to construct and operate a mass transit system on the shoulder of any highway or right-of-way on the state system.
- Due to multiple unknown factors, such as the number of projects that will be undertaken by TDOT as a result of this bill, the design of any such projects, and the timing of any such projects, determining a precise fiscal impact for the bill is difficult. However, any one-time costs associated with developing and constructing a mass transit system is expected to be significant and reasonably estimated to exceed \$1,000,000; any recurring costs for operation and maintenance is reasonably estimated to exceed \$100,000.

- Depending on the specifics to any project undertaken, the funding of such costs could be paid with various combinations of federal, state, and local funding. The extent to which any such funding that would be available at any given time for this purpose is unknown.
- To the extent user fees are charged following the completion of any such mass transit project, it is reasonable that some portion or all expenditures contributed toward the project could be recaptured.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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